

Department of Revenue Organization



Department of Revenue

Organization

The Director, responsible for the operation and control of the entire department, ensures the administration and collection of taxes are performed effectively and efficiently, and the department's customer service is the best it can be. Reporting to the Director are the:

- ◆ Deputy Directors who assist the director in the day-to-day operations of the agency and who serve as the acting director when the director is absent. The Deputy Directors also oversee the Office of Analysis, Hearing Office and the Staff Organization & Development units;
- ◆ Chief Tax Policy Officer who is responsible for coordinating tax policy and the legal support functions. This position oversees economic and tax research and analysis, criminal and civil investigations, and is an advocacy in administrative proceedings;
- ◆ Quality Executive, who coordinates the agency-wide quality program using state and internationally-recognized standards and systems including Malcolm Baldrige National Quality Award criteria.
- ◆ General Counsel, who provides advice on legal and policy issues and makes recommendations on appeals from the hearing office and the Office of Administrative Hearing;
- ◆ Director's Executive Officer, who coordinates the flow of information on legislative and media issues;
- ◆ Special Support Executive, who handles special projects as assigned by the director and manages AA/EEO/ADA issues, special programs and the personnel unit;
- ◆ Planning & Budget Officer, which is responsible for strategic planning and the budget;
- ◆ Problem Resolution Officer, who expedites resolution of complex problems and situations for taxpayers.

The mission of the Arizona Department of Revenue is to promote voluntary compliance with all tax obligations through fair administration, firm enforcement and prompt and courteous service in a manner that justifies the highest degree of public confidence with the taxpayers of Arizona. Tax laws which fall under the department's purview are found primarily in the areas of income, transaction privilege (sales), use, luxury, withholding, property, estate, fiduciary, bingo and severance.

The department is organized into eight divisions, each managed by an assistant director: Administrative Services, Compliance, Data Management, Information Technology, Property Tax, Taxation, Transaction Privilege Tax, and Taxpayer Support. Each division performs specific functions which are integrated to achieve the department's major objective, such as providing efficient taxpayer services, collections and processing, timely enforcement of tax laws and accurate valuation of property.

Organization Continued

Beginning in 2000, the Department has established a new program structure for purposes of budget reporting and strategic planning. These four programs, with their basic responsibilities, are as follows (see chart following divisional organization chart):

- ◆ **Service** – provides information, analysis and client services to taxpayer and others external customers, such as local government, executive, and legislative.
- ◆ **Processing** – performs all tax and refund processing functions.
- ◆ **Education & Compliance** – educates taxpayers and practitioners and promotes compliance with Arizona's tax laws.
- ◆ **Agency Support** – provides leadership, management, technology, and administrative support for agency staff and operations.

Business Reengineering/Integrated Tax Systems (BRITS)

For many years, the agency has operated with siloed or stand-alone information technology systems organized around the type of tax collected (i.e., income tax, withholding, sales/use tax, and property tax). In direct response to this issue, in January 2000, the agency entered into a contract with a private sector consulting information technology/business planning firm. The scope of work was to assist the agency in the initial planning phase (BRITS Phase I) to include the preparation of a future business vision and development of recommendations on future technology to support that vision. All of these activities are designed to shift the focus to the customer. Key tasks performed included the following:

- ◆ Conducted internal assessment of strengths and weaknesses
- ◆ Conducted external assessment including feedback from stakeholders
- ◆ Conducted Best Practices Study from other leading state revenue agencies
- ◆ Reviewed Technology Trends (electronic commerce and web-enabled technology)
- ◆ Developed Future Business Vision

From this work, the agency will implement a best practice approach based on the success stories from other state revenue agencies. In essence, as part of the deployment in future project phases, the agency will:

- ◆ Integrate its tax systems
- ◆ Rationalize its business processes
- ◆ Transform the organization to focus on customers rather than processes

As an outcome of these initial planning efforts, the agency will be more focused on customers and provide better access to tax-related services. In addition, as these technology tools are introduced in future phases, there will be less reliance on paper. Finally, the majority of customer contacts should be handled with the initial contact. Getting accurate information to the customers in a timely manner is the overriding goal of the integrated tax system project.